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U.S.-China: Current Trade and Investment Policies
and Their Impact on the U.S. Economy
Opening Statement

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I am very pleased to have been asked by Chairman D'Amato and my fellow Commissioners on the United States-China Security Review Commission to co-chair, along with Ambassador Jim Lilley, the Commission's first public hearing. Congress created this Commission last October for the purpose of monitoring, investigating, and reporting to it on, among other things, the national security implications and impact of the bilateral trade and economic relationship between the United States and the Peoples Republic of China. It is charged to provide its first report to the Congress by March 2002 on its findings along with recommendations, if any, for legislative or executive action. This bipartisan Commission is composed of twelve Commissioners, three of whom were appointed by each of the Congressional leaders in the House and Senate. I feel fortunate to have been appointed by Majority Leader Daschle to take part in its work.

To assist it in carrying out its duties, the Commission has planned a series of hearings over the next several months to hear testimony from a variety of witnesses on various aspects of the U.S.-China relationship that we are tasked to examine by our Charter. We decided that we should begin our work by first taking a broad look at the rationale for our current trade and investment policies toward China. We are fortunate to have assembled a group of very distinguished witnesses today who have very different views as to whether the economic policies we now pursue toward China serve the long run interests of our Nation. Hearing these contrasting views on the issues we are charged to examine will help this Commission sharpen its own inquiry and discussions.

Our first panel today is comprised of Mr. Richard Trumka, the Secretary-Treasurer of the AFL-CIO; Mr. Gary Benanav, President & CEO of the New York Life International Company; and Mr. Robert Kapp the President of the U.S.-China Business Council.

We have on our second panel the Honorable Charlene Barshefsky the former United States Trade Representative who negotiated the November 1999 bilateral market access agreement with China that prepared the way for China's entry into the World Trade Organization, which could happen later this year. In addition to Ambassador Barshefsky, we are very fortunate to have with us Admiral Joseph W. Prueher who was our Ambassador to China from December 1999 through May of this year. Previously, the Admiral served as Commander in Chief of the U.S. Pacific Command so he brings an expertise on China and national security matters that we very much welcome.

This afternoon the Commission will hear from Mr. William Wolman, the Chief Economist of Business Week Magazine, who is accompanied by his wife and New York Financial Journalist Anne Colamosca. In addition other testimony will be presented by Jerome Cohen, a Professor of Chinese Law at New York University Law School; Kevin Kearns, President of the U.S. Business and Industry Council; and Ruppert Hammond-Chambers, President of the U.S./Taiwan Business Council.

We appreciate the excellent prepared testimony these witnesses have submitted and thank them for taking time to come in and express their views on the important matters that this Commission has been charged by Congress to study.

Before I turn to Mr. Trumka, let me ask my co-chair Ambassador Lilley if there is anything he wants to say at this time.